

FOR RELEASE: April 13, 2007
SUBJECT: MASS, Michael Don

MUSKOGEE, OKLAHOMA - "My name is Sheldon J. Sperling. I am the United States Attorney for the Eastern District of Oklahoma."

"I authorized the filing, yesterday morning, of a felony information. The style of the case is United States of America, plaintiff, v. Michael Don Mass, defendant. The case number is CR-07-26-RAW."

"The information alleges a violation of Title 18, United States Code, Section 371, Conspiracy to Defraud the United States. The charging language of the information asserts the commission of mail fraud, in violation of 18 USC 1346, that is, a scheme to deprive another of the right to honest services."

"This offense is punishable by a term of imprisonment not to exceed five years, a fine not to exceed \$250,000, or both."

"Today, the defendant Mass, age 55, of Higgins, Oklahoma, pled guilty before United States Magistrate-Judge Kimberley E. West to this charge. Judge West accepted the plea, found the defendant guilty, and ordered the preparation of a presentence report. Sentencing will be scheduled after its completion."

"The defendant was represented by attorney Randy Lynn, of Tulsa. First Assistant United States Attorney Gay Guthrie and Assistant United States Attorney Ryan Roberts represented the government."

"Federal agencies involved in the investigation are the Federal Bureau of Investigation and the Internal Revenue Service's Criminal Investigation Division. Their investigative efforts have led to today's successful outcome," remarked U.S. Attorney Sperling.

"The charging document, to which the defendant pled guilty, alleges that the purpose of the conspiracy was to steer funds appropriated by the Oklahoma state legislature to an entity known as the Rural Development Foundation which then provided the funds to National Pet Products and Indian Nations Entertainment Corporation, which are business entities situated in the Eastern District of Oklahoma."

"In the plea hearing today, the defendant admitted participating in the charged conspiracy. He specifically admitted that he caused a \$250,000 check to be mailed through the U.S. Mail in furtherance of the scheme. In response to questioning from the court, he explicitly acknowledged the scheme was committed with intent to obtain money under false pretenses."

"The information also alleges that the defendant and two other legislators which are referred to as Legislator B and Legislator C, were in a position to direct the allocation of funds appropriated to certain state agencies, including the Oklahoma Department of Commerce and the Oklahoma Department of Agriculture and to various Councils of Government, including the Kiamichi Economic Development

District and the Eastern Oklahoma Development District.”

“The information further alleges that, in order to secure the funds appropriated by the Legislature for RDF, Businessman A agreed to periodically pay defendant Mass and two other legislators a percentage of the gross income from the gaming machines that were manufactured by INE as a result of funds steered to RDF and then provided to INE.”

“The information asserts that, on internal documents. Defendant Mass and the other legislators were referred to as ‘investors’ even though they did not invest any of their own funds with INE.”

“The information further alleges that defendant Mass and the other two legislators were periodically paid in cash the amount of their agreed percentage of the gross profits from the designated gaming machines and used their influence to help place INE gaming machines in Indian casinos.”

“The following overt acts are alleged as having been committed or caused to be committed by the conspirators in furtherance of the conspiracy:

A. On or about July 29, 2004, Defendant caused a check for \$250,000 to be sent from KEDDO to RDF through the United States mail;

B. On or about August 13, 2004, Legislator B caused a contract, in the amount of \$350,000, to be sent from the Oklahoma Department of Commerce to RDF through the United States mail;

C. On or about May 2, 2005, Legislator C who by that date was no longer a member of the Legislature, caused a Special Project Contract, in the amount of \$140,000, to be sent from the EODD to the RDF through the United States mail;

D. On or about May 2, 2005, Businessman A caused a Pay Request Form, which included a request for \$100,000 destined to be loaned to INE, to be sent from the RDF to the EODD through the United States mail.

“An information is a federal document in which the United States Attorney alleges that a defendant has committed an offense. Under federal law, a felony, that is, a crime punishable by more than one year in prison, may only be prosecuted by information if the defendant – in open court and after being advised of the nature of the charge and of the defendant’s rights – waives prosecution by grand jury indictment.”

PLEA AGREEMENT. The defendant Mass, his attorney, and my office have entered into an agreement. The major provisions are as follows.

1. The defendant agreed to waive indictment by grand jury and plead guilty to the felony alleged in the information which was filed with the U.S. Court Clerk yesterday. Today, defendant Mass admitted that he is, in fact, guilty of the charged conspiracy.

2. We agreed that the charged conspiracy is a fair representation of the criminality committed by the defendant in this political corruption investigation.

3. The defendant pledged his cooperation with the United States in an ongoing investigation into political corruption and related criminal activity. If the defendant provides substantial assistance, as defined by law, the United States will request that the court depart below the otherwise applicable advisory sentencing guideline. (The United States typically agrees to assess all relevant circumstances concerning whether the defendant has provided "substantial assistance." Such factors include the truthfulness, completeness, and reliability of any information or testimony the defendant may provide, the nature and extent of his assistance, the timeliness of his assistance, the length of his cooperation, and any danger or risks resulting from his assistance.

4. The court is not a party to the agreement and is not bound by the agreement or any recommendations made by the parties. Even if the court imposes a sentence with which the defendant is dissatisfied, the defendant may not withdraw his plea of guilty.

5. The defendant Mass agreed to cooperate fully with the United States. Complete and truthful cooperation is a material condition of this agreement. (providing all information of which he is aware concerning any criminal activity ... testifying fully and truthfully before any grand jury, trials or other proceedings ... cooperating with agencies designated by counsel for the United States ... not disclosing his cooperation to anyone other than his attorney without the consent of the United States ... taking no steps to tip or warn any subject of this investigation ... THIS AGREEMENT IS NOT CONTINGENT IN ANY WAY UPON THE OUTCOME OF ANY INVESTIGATION, PROCEEDING OR SUBSEQUENT TRIAL. THUS, NONE OF THE RIGHTS AND OBLIGATIONS DESCRIBED [IN THE AGREEMENT] ARE IN ANY WAY DEPENDENT UPON A GRAND JURY RETURNING AN INDICTMENT, A JURY'S VERDICT AT ANY TRIAL, OR THE SUCCESS OF ANY PROSECUTION.)

6. The agreement does NOT insulate defendant Mass from any offense committed after the effective date of the agreement, including but not limited to perjury, false declaration, or false statement or obstruction of justice. If he were to commit any such offense, the information and documents he provides to the United States during the course of the cooperation could be used against him in another prosecution.

7. The defendant has waived his right to appeal the sentence and has waived any post-conviction proceedings.

8. If the defendant's plea were rejected, withdrawn, vacated or reversed, the United States would be free to prosecute the defendant for all charges of which we then have knowledge, regardless of the Statute of Limitations, Speedy trial Act, or constitutional restriction as to the time of bringing the charges.

9. The defendant has waived his right to a jury trial, to confront and cross-examine witnesses, to compel the attendance of witnesses on his behalf, against self-incrimination, and to appeal the sentence. He agrees that if this matter were to go to trial, we could prove the facts alleged in the information beyond a reasonable doubt.

10. The United States entered this agreement because disposition of the matter as to defendant Mass in this manner fairly and adequately addresses the gravity of the series of offenses from which the charge of conspiracy was drawn, as well as defendant's role in such offenses, takes into account the public interest in a prompt and certain disposition of the case against him, adequately protects the public, and promotes respect for the law so as to serve the ends of justice.